



October 21, 2013

Open Enrollment Period:
November 12 - December 13, 2013

2014 Coverage Period:
February 1 - December 31, 2014

Important Retiree Healthcare Benefit Information

Dear State Retiree, Survivor or Dependent:

We are pleased to announce important changes to your retiree healthcare benefits. Effective February 1, 2014, the State will provide new, comprehensive and valuable Medicare Advantage plans that will provide medical and prescription drug coverage for eligible retirees and their eligible dependents. These plans, commonly known as "MA-PD plans" are Medicare-approved plans that incorporate Medicare Part A (hospital insurance), Part B (medical insurance) and Part D (prescription drug) coverage. The advantage of having coverage under these plans is that you will have all the medical and prescription drug coverage you need in one plan, with one ID card. Whichever plan you choose, your plan administrator will be there to help you if you have any claim-related issues with doctors, hospitals, pharmacies or other providers.

Our records indicate that all of the Medicare-eligible individuals in your household are enrolled in Medicare Parts A and B. Based on this, you will receive an enrollment kit containing a personalized Open Enrollment Form before the start of the Open Enrollment Period. The Open Enrollment Period will be November 12 through December 13, 2013. **You must complete the Open Enrollment Form and return it to your retirement system postmarked on or before December 13, 2013, to have State-sponsored medical, prescription drug, vision and dental coverage after January 31, 2014.**

Your healthcare plan choices: All eligible members can choose coverage under the nationwide MA-PD PPO plan, administered by UnitedHealthcare (UHC). As an alternative to the UHC PPO plan, if you are an Illinois resident, you may be eligible to enroll in a MA-PD HMO plan offered by Aetna (Aetna is offering the Coventry Advantra HMO, which is administered by Coventry of Illinois) and/or Humana (HMO plans vary by Illinois county of residence). These companies are three of the largest and most well-respected providers of these kinds of plans in the country and were selected through a State-run procurement process that took into account plan quality, access to doctors/hospitals and pharmacies, member services and cost. **Note:** Your dental, vision and life insurance benefit plans are **not** changing; however, you must enroll in one of the State-sponsored MA-PD plans in order to continue to have access to your existing vision and dental benefits; life insurance coverage continues automatically.

About the MA-PD Preferred Provider Organization (PPO) Plan

The PPO plan, offered by UnitedHealthcare (UHC), **does not** have the restrictions of in- and out-of-network coverage. As long as your provider accepts Medicare assignment and payment from UHC, you will be eligible for benefits under this plan. "Medicare assignment" simply means that a doctor or hospital accepts Medicare patients and agrees not to charge them more than the amount Medicare has approved.

About the MA-PD Health Maintenance Organization (HMO) Plans

Members who enroll in one of these plans, either Coventry Advantra or Humana, must choose a primary care physician (PCP) from the HMO's network of providers. The PCP you select will coordinate your care and refer you to specialists when needed. Out-of-network care is covered only in cases of emergency.

The "Plan Year" is Changing

As an individual who is enrolled in Medicare Parts A and B, your Open Enrollment Period will now be held in the fall of each year instead of during the month of May, as in the past. For 2014, the plan year will begin February 1 and will go through December 31, 2014. **You will remain enrolled in your current State-sponsored healthcare plans through January 31, 2014. The new MA-PD coverage you choose will start February 1, 2014.**

Starting with calendar year 2015, the plan year will be the full calendar year; therefore, any election changes made during a future fall enrollment period, including changes to dependent and dental coverage, will be effective the following January 1 and will continue through December 31.

Rate Schedule effective February 1, 2014

Retirees under the State Employees Group Insurance Program will continue to pay the 1% of their annuity for the Medicare Advantage coverage. State retirees who have less than 20 years of service will also continue to be responsible for 5% of the health plan cost for every year less than 20. That being said, the premiums for the new Medicare Advantage plans will be less than the current health plans; therefore, members who have less than 20 years of service should see a decrease in the cost of their coverage. Contact your retirement system for these rates.

	Coventry Advantra HMO or Humana HMO		UnitedHealthcare PPO	
	One Dependent	Two or More Dependents	One Dependent	Two or More Dependents
Dependent Rate	\$89.91	\$126.00	\$110.00	\$155.00

Failure to Enroll

If you miss the December 13, 2013, enrollment deadline, medical, prescription drug, vision and dental coverage for you and your enrolled dependents will end January 31, 2014. The next time you will be able to enroll in one of the State-sponsored MA-PD healthcare plans will be in the fall of 2014 for coverage effective January 1, 2015.

More Details are Coming

Meetings about your new coverage options will be held throughout Illinois this fall. Once finalized, a schedule of meeting locations, dates and times will be mailed in the State's open enrollment kit, as well as posted on the Benefits website at www.benefitschoice.il.gov. Additionally, each of the MA-PD health plans (i.e., UHC, Coventry Advantra and/or Humana) will be sending you plan information (packets will be sent to members based on plan availability, by Illinois county). All materials provided by the State and by the plan administrators will be posted on the Benefits website.

As an added benefit to members, the MA-PD plans offer a variety of wellness/clinical programs, such as the Silver Sneakers® fitness program. Although the programs vary by health plan vendor, some examples include wellness programs, disease management programs, case management programs, discount programs, medication therapy management and meal programs.

Watch your mailbox in the coming weeks for more information about the Open Enrollment Period and the valuable and comprehensive MA-PD plans available to you. **Please pay careful attention to information packets that have the new State of Illinois retiree Medicare Advantage logo and program name, "Total Retiree Advantage Illinois - Your Trail to Good Health" on them. These information packets will have information about the plans available to you through your State of Illinois insurance.**

Sincerely,
CMS Group Insurance Division